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E.O. 12958: DECL: 07/26/2027  
TAGS: [PREL](#) [PGOV](#) [PINR](#) [PA](#)  
SUBJECT: COLORADO PRE-CANDIDATE OVELAR WANTS GOOD U.S.  
RELATIONS

Classified By: DCM Michael J. Fitzpatrick; reasons 1.4  
(b) and (d).

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SUMMARY  
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¶1. (C) Pre-presidential Colorado Party candidate Blanca Ovelar told the DCM October 18 that if elected, she wants good relations with the United States. Ovelar was confident that she will win both the Colorado Party nomination and the presidency, but worried that if she is not the Colorado candidate, her party could lose the presidency to former coup-plotter Lino Oviedo. Ovelar identified Oviedo as the true populist in Paraguay's elections and volunteered an indirect criticism of Chavez by stating his popularity is a reaction to the unresponsive Venezuelan state. Ovelar believed (now-former) Vice President Castiglioni lacks what it takes to govern Paraguay, claiming he has a record of forcing President Duarte to handle the tough issues alone. Despite her close association with Duarte, who is increasingly anti-American in his rhetoric, Ovelar conveyed warmth and interest in Paraguay's relations with the United States. END SUMMARY.

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OVELAR INTERESTED IN U.S. ASSISTANCE  
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¶2. (C) Pre-presidential Colorado Party candidate and President Duarte's hand-picked successor Blanca Ovelar told the DCM and Pol/Econ chief October 18 that if elected, she wants good relations with the United States. She underscored the importance of U.S. assistance to Paraguay and Paraguay's access to U.S. markets. Ovelar spoke generally about her goals for economic development, improvements in the health and education sectors, and modernization of the public ministry and the military (Ovelar had just come from a meeting with Defense Minister Roberto Gonzalez). She emphasized Paraguay's need for technology and was well-briefed on the benefits of Paraguay's Millennium Challenge Threshold Program (Plan Umbral). The DCM highlighted Plan Umbral and other U.S. assistance programs, including military and scholarship (micro beca) assistance, and offered future briefings at Ovelar's convenience.

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CONFIDENT OF A WIN  
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¶3. (C) Ovelar was confident that she will win both the Colorado Party nomination and the presidency, but worried that if she's not the Colorado candidate, her party could lose the presidency to former coup-plotter Lino Oviedo. Assuming that both Oviedo and former Catholic bishop Fernando Lugo compete in the April 2008 elections, Ovelar believes the

final vote will be divided as follows: Ovelar-40 percent; Oveido-32 percent; Lugo-24 percent; and Beloved Fatherland Party candidate Pedro Fadul-12 percent. (NOTE: Math may not be Ovelar's strong point. We note that the above percentages add up to 108 percent. END NOTE). Ovelar was so confident of her pending victory that she repeatedly referred to herself as president and to current President Duarte as the "ex-president" during the meeting.

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OVELAR ON HER OPPONENTS  
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14. (C) Ovelar identified Oviedo as Paraguay's populist candidate and volunteered an indirect criticism of Chavez by stating that his popularity is a reaction to the unresponsive Venezuelan state even as it is a threat to democracy in Venezuela. (COMMENT: Ovelar's unsolicited remark seemed to be intended to assure us that she does not support Chavez, and that she seeks U.S. political support for Paraguayan democracy. END COMMENT). After calling Oviedo "unpredictable and dangerous", Ovelar asserted that Oviedo should be allowed to compete so he can face electoral defeat, which she said is the only way to force him out of Paraguayan politics. If denied the chance to run, she said, he would become "a myth."

15. (C) As to former Vice President Luis Castiglioni, Ovelar believed he does not have what it takes to govern Paraguay, calling his record one of hiding from conflict and forcing Duarte to handle the tough issues alone. She described Castiglioni as lazy and weak, representing Paraguay's rich elites and traditional elements of the Colorado Party, placing herself clearly as the outsider and change agent within the party. (NOTE: Ovelar's congressional list of pre-candidates is dominated by entrenched economic interests and party "dinosaurs" far more than is Castiglioni's. END

NOTE). Ovelar said Duarte chose Castiglioni as his running mate for the 2003 elections and tried to prepare him for the presidency, but that his efforts "didn't take" due to personality conflicts. Ovelar admitted that, according to Colorado Party polling, she and Castiglioni are in a technical tie for the party's nomination. Ovelar also noted speculation (much of it fanned by Duarte) regarding U.S. support for Castiglioni; we assured her of our neutrality in Paraguay's elections and confirmed that we will work with whomever is democratically elected in April.

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COMMENT  
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16. (C) Ovelar met with us alone, and dominated the first half of the meeting with a monologue to orient us toward her goals and vision for Paraguay. She was articulate, passionate (particularly on the topics of children and educational issues) and came across as a strong and independent thinker capable of assuming Paraguay's highest office. While portions of her discourse seemed designed with her audience in mind, she had carefully considered both her message and her tone. Despite Ovelar's previous public statement that she's proud Paraguay refused U.S. requests to grant immunity to U.S. soldiers and to send troops to Iraq (warning that Paraguay won't be a pushover), and despite her close relations with an increasingly anti-American President Duarte, Ovelar conveyed warmth and interest in Paraguay's relations with the United States. We will continue our dialogue with her and her staff in coming months at the working level. END COMMENT.

17. (SBU) BIO NOTES: Ovelar was born September 2, 1957 in Concepcion, Paraguay. She holds an undergraduate degree in psychology and a masters in education from the National University of Asuncion. Ovelar began her educational career in 1978 teaching in primary schools in Concepcion. She then taught in vocational schools, moving to Asuncion to join the faculty at the National Technical College from 1984-1993. In

the ministry of education, she served as Director of Vocational Education and then Director of Teacher Training. She succeeded President Duarte as Minister of Education in ¶2001. Ovelar mentioned her father, a socialist who was tortured during the Stroessner years, on several occasions during the meeting. Ovelar was proud that as education minister she changed the historical record by rewriting Paraguay's textbooks to reflect the negative characteristics of Stroessner's regime. Ovelar is married with children, and speaks Spanish and Guarani (she noted that her three children speak English). Physically, Ovelar is tall, imposing, and impeccably groomed.

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